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IN THE

SUPREME COURT OF THE UNITED STATES

October Term, 1948

Nos. 163-164

EDWARD J. MILLER, d/b/a
PERMA-STONE COMPANY,

Petitioner,

v.

EMIL P. ZAHARIAS, CHESTER POLANIS, d/b/a LINCOLN HOME BUILDERS, BERNHARD WALLACE, JACK CASTRONOVO, ALBERT SALOMON, JANET SALOMON and MAXON W. POLLAND,

Respondents.

REBUTTAL BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI

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INDEX

Page

1. Concerning Respondents' Argument that the Questions Presented by the Petitioner are Now Moot 1
2. Concerning Respondents' Argument that there is No Conflict of Decisions Between Different Circuit Courts of Appeals 3
3. Concerning Respondents' Argument that this Petition Presents No Question of General Interest.... 3
4. Concerning Respondents' Argument that the Use of the Flexible Membrane was Old in the Art..... 4
5. Concerning Respondents' Argument that the Method Claims are Functional and Invalid..... 6
6. Concerning Respondents' Argument that the Corner Mold Patent Does Not Constitute Invention 6
7. Concerning Respondents' Argument that the Decision of the Circuit Court of Appeals was Correct 7

Conclusion 7

Authorities Cited

I.T.S. Rubber Co. v. Essex Rubber Co., 272 U.S. 429, 47 S. Ct. 136 5

Novadel-Agene Corp. v. Penn, 119 F. (2d) 764..... 2

Schriber-Schroth Co. v. Cleveland Trust Co., 311 U.S. 211, 61 S. Ct. 235 5

Sylvania Industrial Corp. v. Visking Corp., 132 F. (2d) 947 2

Traitel Marble Co. v. U. T. Hungerford Brass & Copper Co., 22F. (2d) 259 6

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1. Concerning Respondents' Argument that the Questions Presented by the Petitioner are Now Moot.

Respondents argue that this Court could not decide the question of the petitioner's estoppel to enforce his patents in suit in view of his alleged misuse of them, since that question has not been presented by the petition. On this basis respondents contend that this petition presents a moot question since if this Court holds the claims in suit valid, those claims would still be unenforceable.

One answer to this point is exceedingly obvious. The question of estoppel *could not* be presented to this Court because it was not passed upon by the Circuit Court of Appeals. Contrary to respondents' statement that "That question was decided adversely to petitioner by affirmance of that part of the judgment . . . " (Brief, p. 4), the Circuit Court of Appeals expressly refused either to affirm or reverse the District Court on this point, saying (R 344): "We do not reach the other points presented to the District Court."

Respondents are in error in their contention that "Should petitioner prevail upon either or both of his questions herein presented, there still could be no reversal." (p. 4) If petitioner prevailed in this Court the case would be remanded to the Circuit Court of Appeals, and that court would then have to rule upon the question of the enforceability of the patents in suit.

It is also appropriate to point out in this connection that even if the Circuit Court held the patents in suit to be unenforceable as to past infringements thereof, misuse of those patents would not bar the patentee from future enforcement of his rights upon a showing that he had purged himself of his wrongful conduct.

> "Improper use does not invalidate a patent, but the courts will not assist an offending patent owner against persons who infringe the patent while such improper practices continue. Improper use does not vest an infringer with a license for the life of the patent, for if a patent owner purges himself of the improper business practices he may then enforce his patent and recover damages for infringement occurring thereafter."
>
> *Novadel-Agene Corp. v. Penn,* 119 F. (2d) 764 @ 766 (C.C.A.-5, 1941)

See also:

Sylvania Industrial Corp. v. Visking Corp., 132 F. (2d) 947 (C.C.A.-4, 1943)

2. Concerning Respondents' Argument that There is No Conflict of Decisions Between Different Circuit Courts of Appeals.

In their arguments on this point respondents state (p. 4) that "There is no allegation in the petition for a writ that the decision of the Circuit Court of Appeals for the Seventh Circuit is in conflict with a decision or decisions of Circuit Courts of Appeals on the same subject matter or adjudicating the validity of the same patents." It is significant, as indicating the obvious weakness of respondents' contention, that they do not in any wise discuss, or even mention, the numerous cases cited at p. 7 of petitioner's brief to illustrate the complete disharmony between the decision in the instant case and decisions of the Circuit Court of Appeals for the Seventh Circuit in other cases, as well as the decisions of this Court and the courts of appeals of other circuits.

Instead respondents seek to bolster their contention with an argument to the effect that this Court will not consider "questions of anticipation and invention." But such questions are not presented by this petition. The petitioner seeks to have this Court review two questions of law, namely: (1) are the claims of the method patent in suit functional as a matter of law; and (2) can copending patents be used to anticipate one another.

These are not questions of fact. They have nothing to do with the questions of anticipation and invention. They are obviously questions of law.

3. Concerning Respondents' Argument that this Petition Presents No Question of General Interest.

Respondents again assert (p. 5) that the question which this Court is asked to resolve "is primarily one of fact." But as pointed out in the preceding section, this Court is not asked to decide "questions of anticipation and invention." It is asked to

decide questions of the interpretation of law, concerning which there is now a serious conflict of opinion.

More important, perhaps, is the fact that the decision of the Circuit Court of Appeals, particularly on the question of the copending corner mold patent, is so obviously incorrect as to warrant the exercise of this Court's supervisory power. It is always of "general interest" to insure that a litigant shall have substantial justice.

Finally, some idea of the importance of this case may be obtained from the following facts:

The petitioner has licensees under his patents in suit in all of the forty-eight states of the Union except Vermont.

In 1947 approximately eighteen million dollars ($18,000,000.00) worth of siding work was done under the patents in suit.

The patents in suit have to do with an important aspect of the building industry, and find their most important application in the field of residential construction.

4. Concerning Respondents' Argument that the Use of the Flexible Membrane was Old in the Art.

In this section respondents discuss a point which is nowhere touched upon in the opinion of the Circuit Court of Appeals. It is, in fact, noteworthy that the opinion of the Circuit Court does not so much as refer to the use of a flexible membrane in the performance of the Miller method.

The fact that the court below failed to mention the membrane in its opinion suggests its failure to appreciate the significance thereof. Without a proper appreciation of the function of the membrane in the method, as defined by the claims, the claims could not be understood or passed upon. The only manner in which the respondents seek to justify the Circuit Court's failure

to mention the membrane is by contending that the flexible membrane per se is old in the art.

Respondents' argument on this point, moreover, is based upon an obviously erroneous interpretation of the two cases cited at p. 6 of their brief, *Schriber-Schroth Co. v. Cleveland Trust Co.*, 311 U.S. 211, 61 S. Ct. 235 and *I.T.S. Rubber Co. v. Essex Rubber Co.*, 272 U.S. 429, 47 S. Ct. 136.

Both of these cases are quite clear to the effect that proceedings in the Patent Office may affect the *construction* of claims in a patent as issued; but they do not say that such proceedings can have any effect upon the *validity* of those claims. As clearly pointed out in the following language in the I.T.S. case (272 U.S. @ 444), Patent Office proceedings are material only in determining the question of infringement (i.e., whether the claims are to be construed as readable upon the defendant's construction or method):

> "It results that the claims in suit were limited by the proceedings in the Patent Office to the specific form of a three-point contact lift, they are not infringed by the heels made by the Essex Company***."

However, respondents' entire argument on this point is irrelevant. There is no issue, one way or the other, as to the novelty of using a membrane. The question of the novelty of the *method,* which includes the use of a membrane as one of its steps, was presented to the Circuit Court of Appeals, but this is another of the issues upon which that court did not touch. The question for this Court has nothing to do with the novelty of the membrane *per se;* this Court is asked by the petition to decide whether a method claim which recites, *inter alia,* the use of a flexible membrane in a certain manner is void as stating the function of a tool.

5. Concerning Respondents' Argument that the Method Claims are Functional and Invalid.

In this section respondents merely reargue the question which this Court is asked to decide. The defects in their argument are set forth at length on pages 13 to 18 of petitioner's main brief and need not be repeated at this point.

The citation of petitioner's testimony concerning the claims of the method patent in suit is obviously irrelevant, since the issue of validity is not determined by what the patentee thinks about his patent or his invention, but by what the claims say. It will be noted, incidentally, that the testimony quoted by respondents in no wise supports their contention.

6. Concerning Respondents' Argument that the Corner Mold Patent Does Not Constitute Invention.

The gist of this argument resides in respondents' quotation of a sentence from the Traitel Marble Company case (cited at p. 19 of petitioner's brief) entirely out of its context. Respondents insist (p. 8) that the claims of two copending applications must be for "separate inventions," but the Traitel Marble Company case, as quoted at p. 19 of petitioner's brief, distinctly states that "it is not necessary to the validity of the claims in suit that they should embody a patentable advance over the earlier disclosure." Thus, although the claims are required to set forth different inventions, it is not necessary that they be *patentably* different. Yet it is the test of *patentable* difference which the Circuit Court of Appeals has applied in this case, and which respondents insist upon in their brief.

Respondents' argument falls into the error noted on page 21 of petitioner's main brief, i.e., it confuses the situation in this case with that involved in cases of double patenting where the two patents in question *claim* the same thing. This distinction has been set forth at length at p. 21 of petitioner's brief and will not be repeated at this point.

However, the fact that the Circuit Court of Appeals has fallen into this error, plus the fact that respondents have repeated it, affords a clear cut demonstration of the need for this Court to speak definitively upon the point.

7. Concerning Respondents' Argument that the Decision of the Circuit Court of Appeals was Correct.

This section of respondents' brief is little more than a summary of the preceding portions thereof, and it is therefore adequately answered in the foregoing paragraphs.

CONCLUSION

It is respectfully submitted that the dictates of justice, the importance of this case to the building industry as evidenced by the amount of business done under petitioner's patents, and the conflict of decisions on the questions presented hereby, warrant the issuance of a writ of certiorari.

Respectfully submitted,

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August 5, 1948